MEMBERS PRESENT: Kelly Arguello, Erik Braun, Karen Bulman, Mike Golliher, Eirik Heikes, John Herr, Galen Hoogestraat, Eric Ottenbacher and Vince Vidal.

MEMBERS ABSENT: Racheal Caesar, Mike Quasney. John Roberts, Council Liaison was also absent.

STAFF PRESENT: Ken Young, Vicki Fisher, Fletcher Lacock, John Green, Tim Behlings, Todd Peckosh, Ted Johnson, Wade Nyberg and Andrea Wolff.

Braun called the meeting to order at 7:00 a.m.

Braun reviewed the Consent Agenda and asked if any member of the Planning Commission, staff or audience would like any item removed from the Consent Agenda for individual consideration.

Staff requested that Items 2 be removed from the Consent Agenda for separate consideration.

Motion by Hoogestraat seconded by Golliher and unanimously carried to recommend approval of the Consent Agenda Items 1 thru 2 in accordance with the staff recommendations with the exception of Item 2. (9 to 0 with Arguello, Braun, Bulman, Golliher, Heikes, Herr, Hoogestraat, Ottenbacher and Vidal voting yes and none voting no)

---CONSENT CALENDAR---


---END OF CONSENT CALENDAR---

2. No. 19RZ045 - Section 35, T1N, R7E
A request by Cory Back for SLH Holdings, LLC to consider an application for a Rezoning request from General Agricultural District to Medium Density Residential District for the SE1/4 of the NE1/4 less Lot H-2 of Section 35, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located northeast of the intersection of Sammis Trail and Healing Way.

Fisher stated that staff has received a number of letters of concern regarding this rezone request and with those concerns in mind staff is requesting that this item be continued to the March 5, 2020 Planning Commission Meeting to allow it to be heard in conjunction with an Initial Planned Development Overlay application which is being proposed for this property.

Bulman moved, Vidal seconded and the Planning Commission recommended approval of the Rezoning request from General Agricultural District to
Medium Density Residential District.

---BEGINNING OF REGULAR AGENDA ITEMS---

*3. No. 19PD047 - Poplar Subdivision
A request by Leah M. Berg of ACES for Dan Godfrey to consider an application for a Final Planned Development Overlay to expand an auto repair shop with Exceptions for Lot 1 of Poplar Subdivision, located in Section 31, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 110 Poplar Avenue.

Lacock presented the application stating that the applicant is requesting to expand an existing auto repair shop. The proposed 6,800 square foot addition exceeds the 20 percent expansion criteria of a property that is currently classified as legal non-conforming and as such requires that the property be brought into compliance with the Zoning Ordinance. Lacock indicated that the applicant is requesting four Exceptions to these regulations. Lacock reviewed the aerial slide to review the layout of the property which is located in an industrial area. Lacock used the aerial slide to show that parking currently includes 13 spaces to the west of the building that back into North Poplar Avenue right-of-way. Lacock stated that current parking regulations require 63 parking spaces and the applicant is requesting an Exception to reduce this to 20 spaces. Staff is requesting the Exception be modified to reduce required parking from 63 parking spaces to 33 parking spaces contingent upon the existing 13 non-conforming spaces being removed and relocated on-site. Lacock stated that the applicant is also requesting an Exception to waive the requirement to pave the storage area located on the eastern and southern sections of the property which is currently graveled; an Exception to waive the opaque screening fence requirement around the outdoor storage area and an Exception to reduce the minimum required landscaping from 121,867 points to 47,290 points. Lacock reviewed a slide showing the proposed layout of the expansion which does include additional parking onsite to the north end of the property along with the on-street parking on North Poplar Avenue. The applicant states that the parking provides customer parking, however staff notes these parking spaces back into the right-of-way. Lacock said that Public Works staff has concerns regarding the backing into the right-of-way as the issuance of a Building Permit will require sidewalks to be installed along Poplar Avenue and East Chicago Street or a Variance be obtained, creating a safety hazard for pedestrians. Lacock said that staff would support the Exception for paving be approved contingent to the 13 non-conforming parking spaces being removed and 13 additional parking spaces being provided on-site. Lacock indicated that staff would support the Exception to the opaque fence along the east and south property line as the applicant has proposed providing landscaping along this side and that it is adjacent to other industrial uses; however, that the opaque fence be provided along the west and north of the property to allow both security and aesthetic street scaping. Lacock said staff would support the Exception to the landscaping requirements contingent on the removal of the non-conforming parking and additional landscaping along the north and east property lines, stating that the landscaping is designed to break up the hardscape and provide some beautifying elements even in industrial areas. Lacock stated that recently the City had revised the Municipal Code to require that opaque fences not be chain link with slats but of wood or composite material again to provide a more
inviting appearance. Lacock noted that currently the ADA and 13 spaces do not meet parking requirement due to their backing into right-of-way. Lacock said that staff recommends approval of the Final Planned Development Overlay to expand an auto repair shop with Exceptions as defined in the Project Report.

In response to a question from Ottenbacher on how many ADA parking spaces are required, Lacock noted that with the staff recommended parking reduction to 33 spaces, 2 ADA spaces would be required. Lacock further noted that currently the parking spaces do not qualify as ADA spaces since they are non-conforming.

In response to question from Heikes whether revised plans will be submitted to show the suggested revision, Lacock stated that those would be provided with the Building Permit application.

Leah Berg, ACES, consultant for the applicant, reviewed the history of the applicant noting that they have been operating as a local business since the 1950s and in this specific location for over 46 years and believes it is unfair that they are being held to current requirements for a long established business that has been operating in this location for years that just wants to expand. Berg further argued that they currently have to work on their cars outside and want this expansion to allow them to work on their vehicles year round in an indoor area. She stated that the business is an industrial business in a light industrial district and the requirement for aesthetic beautification is out of place. Berg stated that the removal of the parking on Poplar is not feasible. Berg said that they are willing to compromise to make this expansion work stating they are willing to put parking in the back of their business although it is not where it is required by City Ordinance and to pave some of the storage area, and to put up some of the opaque fence, but they wish to continue to use the non-conforming parking on Poplar Avenue.

Braun clarified which requests the applicant is willing to agree to do and which they are unwilling to consider.

In response to question from Arguello, Lacock confirmed that currently the surrounding properties parking back into the right-of-way; however, he did state that should any of them request a Building Permit they would have to address this issue also. In response to Arguello’s question on more cost effective options for opaque fencing, Lacock reiterated that the Rapid City Ordinance was recently changed to remove chain link fence as an option for opaque fencing.

Fisher acknowledged that Godfeys has been a long established business that provides a great service for the area, but noted that regulations have changed over time since their inception that and these changes are for both the safety and welfare of the business and the surrounding area. Fisher noted that it is important for this expansion to be completed as it is illegal to work on vehicles outside of a building even in the light industrial district. Fisher further agreed that the parking on the west side of the building is established and is the easiest option for customers, but stated again that the changes and the improvements will require that sidewalk be installed and creating additional concerns with people now backing over a sidewalk into the right-of-way and the future potential for street improvement that would include curb and gutter further complicates allowing this continuation of non-conforming parking. Fisher did note that if landscaping was provided in a
screening capacity along the northern portion of the property the opaque fence would not be required. Fisher stated that it is staff’s duty to address these concerns for current and future improvements and that the proposed stipulations are a good compromise and hopes that the Planning Commission would support these options.

Hoogestraat stated that he believes the standards and requirements are heavy handed for industrial districts and he feels that the Exceptions should all be granted. Hoogestraat indicated that the requirements for landscaping is overreaching and in response to Fisher’s statement that staff is requesting landscaping in the area where the non-conforming parking would meet both requirements said he doesn’t believe that the parking in the proposed location behind the building makes any sense.

Lacock reviewed the section of the Design Standards and the Comprehensive Plan that addresses screening and parking in industrial areas to make them both functional and attractive.

Heikes stated that he feels there are good compromises being made and that he understands and agrees with the use of landscaping and screening to buffer the industrial uses from the street and to break up the industrial nature of the district.

In response to Vidal’s suggestion that the parking be shifted to parallel parking rather than diagonal, Peckosh stated that staff considered that option and that should curb be added in the future, parallel parking would be an option, but currently there is no separation from street to the lot. Fisher noted parallel parking would require a one-way in and one-way out of the parking.

In response to a question from Herr about the Variance to reduce the front yard setback in 2001, Lacock noted that the Variance was denied. Lacock stated that they did do an expansion at that was done plus this expansion.

Hoogestraat spoke to his disagreement with the requirement for sidewalk and landscaping and he believes that the Exception for the parking should be allowed seeing as all the other businesses in the area have non-conforming parking and doesn’t see why this should be any different.

Arguello stated that he understood the desire to remain in the area and expand within a budget and hopes compromises can be made.

Ottenbacher stated that meeting standards with some compromises are needed and he also believes that in the meeting is not the place to be redesigning plans, so he suggests that staff meet with the applicant to work on compromises and bring this back to the Planning Commission. Ottenbacher stated that he understands the desire to do what feels good, but that the Planning Commission needs to adhere to some general standards.

Fisher stated that there were numerous good ideas offered and looks forward to meeting with the applicant to work through some the issues and ideas discussed today.
Bulman stated that she understands both sides, but that it is the Planning Commission’s job to make sure things are done to protect the public as well as the applicant.

Vidal moved, Heikes seconded and the Planning Commission continued the Final Planned Development Overlay to the February 6, 2020 Planning Commission Meeting. (9 to 0 with Arguello, Braun, Bulman, Golliher, Heikes, Herr, Hoogestraat, Ottenbacher and Vidal voting yes and none voting no).

*4. No. 19UR025 - I-90 Heartland Business Park
A request by LC Beer LLC dba "Lost Cabin Beer Co.", Attention Jesse Scheitler to consider an application for a **Conditional Use Permit to allow a micro-brewery** for Lot 5 of Block 6 of 1-90 Heartland Business Park, located in Section 28, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 2441 Dakota Craft Drive.

Lacock presented the application and associated slides. Lacock noted this is for production, offices and distribution and will not be operated as a bar or restaurant. Lacock stated that this is a conditional use for in the Light Industrial District and staff is recommending approval of the Conditional Use Permit to allow a micro-brewery with stipulations.

Bulman moved, Golliher seconded and the Planning Commission approved the Conditional Use Permit to allow a micro-brewery with the following stipulation(s):
1. Upon submittal of a Building Permit, a landscape plan and a parking plan shall be submitted for review and approval;
2. Upon submittal of a Building Permit, a site plan shall be submitted showing sidewalks or approval of a Variance from City Council shall be submitted;
3. All signage shall comply with the requirements of the Rapid City Sign Code. No electronic or Light Emitting Diode (LED) message centers are being approved as a part of this Conditional Use Permit. The inclusion of any LED message centers shall require a Major Amendment to the Conditional Use Permit. A sign permit shall be obtained for each sign; and,
4. The Conditional Use Permit shall allow a micro-brewery. No on-sale liquor establishment or restaurant is permitted. The applicant shall be in compliance with the operations plan at all times. Any expansion to the micro-brewery shall require an Amendment to the Conditional Use Permit pursuant to Chapter 17.54.030 of the Rapid City Municipal Code. Any change in use that is a permitted use in the Light Industrial District shall require the review and approval of a Building Permit. Any change in use that is a Conditional Use in the Light Industrial District shall require the review and approval of a Major Amendment to the
Conditional Use Permit. (9 to 0 with Arguello, Braun, Bulman, Golliher, Heikes, Herr, Hoogestraat, Ottenbacher and Vidal voting yes and none voting no).

The Rapid City Planning Commission’s action on this item is final unless any party appeals that decision to the Rapid City Council. All appeals must be submitted in writing to the Department of Community Development by close of business on the seventh full calendar day following action by the Planning Commission.

5. Discussion Items
   None

6. Staff Items
   Fisher noted the staff had previously discussed bringing forth an Ordinance Amendment to revise the Office Commercial District to remove residential use which is currently allowed in the Office Commercial District. Fisher said that after noticing and meeting with property owners to discuss how this will affect them, staff is now ready to bring those rezoning request forward. Fisher noted that there are approximately 10 Rezoning requests affecting approximately 90 properties. Fisher stated staff will be sending a Certified letter to the property owners stating which meeting these Rezoning requests will be going to and requesting they meet with staff to individually discuss their property. Fisher further stated that staff will then complete the mailing and noticing requirements for the City sponsored rezoning applications.

   In response to Braun’s question that these Rezoning applications are being done before the Ordinance Amendment to Office Commercial Zoning is done, Fisher confirmed that is correct, the conflicting zoning is being Rezoned to avoid creating non-conforming zoning.

   Young informed the Planning Commission that the next Coffee with Planners is scheduled for Wednesday, February 5, 2020 and invited the Planning Commissioners. Young stated that they will be offering a new option called “Ask a Planner” which will have several staff available to answer questions that are brought from the public in addition to topic specific tables.

7. Planning Commission Items
   Braun spoke to the Tax Increment Finance Ordinance saying he was surprised that the City Council shot it back to Community Development for additional review and asking how the proposed Task Force and review and approval of any revised ordinance would be handled.

   Young stated that any proposal would come before the Planning Commission prior to moving to the City Council. Young did state that any Task Force would be at the direction of the Mayor and staff would work with them as needed. Young stated that staff does plan to proceed updating procedures and policy in compliance with the current policy.

   Braun commented that based on all the time and review the Planning
Commission did in reviewing the Tax Increment Financing Ordinance Amendment over the last year, he feels that the Planning Commission should be included in the Task Force should it be implemented.

There being no further business, Bulman moved, Golliher seconded and unanimously carried to adjourn the meeting at 7:56 a.m. (9 to 0 with Arguello, Braun, Bulman, Golliher, Heikes, Herr, Hoogestraat, Ottenbacher and Vidal voting yes and none voting no).